Subsidy on fertilizers

435. SHRI C. RAMACHANDRAIAH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the subsidies and other facilities presently being provided on urea by Government so as to make it available to farmers at cheaper rates;

(b) whether subsidies and other facilities are being provided on Diammonium Phosphate (DAP) fertilizer also;

(c) if so, the details thereof;

(d) whether fertilizer companies have stopped production of DAP fertilizers due to uncertainty over the fixation of subsidy in view of the increase in the cost of phosphoric acid, the main raw material; and

(e) if so, the details and the action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (c) With the objective of making available fertilizers to farmers of the country at affordable prices, urea, being the only controlled fertilizer, is sold at statutorily notified maximum retail price (MRP), and the decontrolled phosphatic and potassic fertilizers including Di-ammonium Phosphate (DAP) are sold at indicative MRPs. MRP/indicative MRPs are generally far less than the cost of production of these fertilizers. The difference between the cost of production/cost of import and the MRP/indicative MRPs is paid as the subsidy to manufacturers or importers of fertilizers.

(d) and (e) No, Sir. The production of DAP during the months of April to June 2006 was 9.58 lakh metric tonnes (LMTs) as compared to 9.14 LMTs during the same period in 2005.

Exemption of vaccines and medical devices from price control

436. DR. VIJAY MALLYA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government propose to exempt all kinds of price controls for new drugs developed through indigenous research for a period of five years;